

RETIREMENT FIDUCIARY STATUS DISCLOSURE



City National Securities (“CNS”) is registered as both a broker-dealer and investment adviser with the U.S. Securities and Exchange Commission (“SEC”).

When you receive investment recommendations on your retirement accounts, it is important to know whether the person giving you that advice is a “fiduciary” under Title I of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and the Internal Revenue Code (“the Code”); together, these are federal laws that are applicable to retirement accounts. When investment professionals are fiduciaries under Title I of ERISA or the Code, they have important obligations that are designed to protect your interests. Investment professionals who provide advice and are fiduciaries cannot receive payments that create conflicts of interest, unless they qualify for an “exemption” issued by the Department of Labor (“DOL”).

The DOL issued a prohibited transaction exemption (“PTE”) for fiduciary investment advice providers who have conflicts of interest that could affect their interactions with retirement investors, called *Improving Investment Advice for Workers & Retirees* (“PTE 2020-02”). Fiduciaries must satisfy important investor protections, including a best interest standard, to use the exemption. It is important to note that the protections in the exemption are (1) in addition to the legal requirements and standards imposed by other regulators, and (2) only apply when a fiduciary provides investment advice to you about your retirement accounts.

We acknowledge that, effective February 1, 2022 (or such later date as may be established by the DOL for compliance with PTE 2020-02), when we provide investment advice to you regarding your retirement plan account or individual retirement account (“IRA”) that is held at CNS, we are fiduciaries within the meaning of Title I of ERISA and/or the Code, as applicable. The way we make money creates some conflicts with your interests, so we operate under an exemption that requires us to act in your best interest and not put our interests ahead of yours. For more information on our best interest standard obligations and any material conflicts of interest we have when we provide investment advice in connection with our brokerage services, see our “Client Relationship Summary,” and “Account Agreement and Disclosure” which are included in your account opening documents and are also available on our public website at CNB.com/BestInterest. For more information about our investment advisory services, including any conflicts of interest we may have, see our “Client Relationship Summary” and our Form ADV Part 2A, Brochures (our “ADV Brochures”), which are available at CNB.com/BestInterest.

If you have assets in a current or former retirement plan or IRA, you have several options available to you. These include, leaving the assets where they are, rolling into a new retirement plan or rolling or transferring into a new IRA that is held at CNS. Before a recommendation in this regard can be made, your financial advisor will ask you for important information about your current plan or IRA. This may include its investment options, fees and expenses, and certain provisions and features in order to compare it to the investment options, fees and expenses, and provisions and features that would apply in a new IRA. This information is used in order to provide you with investment advice that is in your best interest. Without this information, we may not be able to make a recommendation to you with regard to whether you should or should not take a distribution and rollover to an IRA or transfer from one IRA to another. This is because we may not be able to conduct the analysis needed to provide you with a recommendation in your best interest. Effective July 1, 2022 (or such later date as may be established by the DOL for compliance with PTE 2020-02 related to rollover recommendation and disclosure requirements), if you do not receive a confirmation outlining why a rollover or transfer is in your best interest, please contact your financial advisor or our Customer Service Team at (800) 280-1464. When such documentation is delivered and a recommendation is made, we are a fiduciary. For more information, please speak to your financial advisor.

For additional information about our brokerage services, our investment advisory services, or to obtain an updated copy of this “Retirement Fiduciary Status Disclosure”, please visit our website at CNB.com/BestInterest.

ASSET ALLOCATION PROGRAM FEE DISCLOSURE REPORT



TO DISCUSS ANY ASPECTS OF THIS REPORT PLEASE CONTACT

City National Securities
555 South Flower Street, 11th Floor
Los Angeles, CA 90071

Overview

The Employee Retirement Income Security Act of 1974, as amended (ERISA), requires employee benefit plan fiduciaries to act solely in the interest of, and for the exclusive benefit of, plan participants and beneficiaries. As part of that obligation, plan fiduciaries should consider cost, among other things, when choosing investment options for the plan and selecting plan service providers.

The Department of Labor's ("DOL") service provider fee disclosure regulations require disclosures by "Covered Service Providers" who enter into a contract or arrangement with a "Covered Plan." As a Covered Service Provider to your Plan, City National Securities ("CNS"), a wholly owned subsidiary of City National Bank ("CNB") is providing this "Fee Disclosure Report" in compliance with the DOL's regulation to assist you in making informed cost-benefit decisions with respect to your Plan. The Fee Disclosure Report is also intended to provide you with a reasonable means to compare investment product fees and plan administration expenses charged by competing service providers, regardless of how a particular Covered Service Provider structures its fees. The disclosure requirements apply to qualified plans that are subject to Title I of ERISA. Additional information relating to the services and expenses are contained in documentation and agreements provided by CNS and National Financial Services ("NFS"). NFS as sub-contractor provides clearing and other related services to CNS for your retirement plan account. NFS and or its affiliate Fidelity Brokerage Services ("FBS"), collectively "Fidelity" may receive fees or compensation as described herein.

Selecting a service provider requires that you evaluate and differentiate services offered by competing Covered Service Providers. Cost is one of the criteria, but not the only criterion, for making this evaluation. Other factors of equal or greater importance to consider include the quality and type of services provided, the anticipated performance of competing Covered Service Providers and their investment products and other factors specific to your Plan's needs. The service provider offering the lowest cost services is not necessarily the best choice for your plan.

The City National Securities Asset Allocation Program (the "Program") is sponsored by CNS, a registered investment advisor and broker/dealer. The Program provides your Plan with access to professional investment management services. Specific features of the Program include goal assessment and risk profiling, asset allocation strategies, money management, performance reporting and ongoing monitoring with a dedicated financial advisor. CNS has retained City National Rochdale, LLC ("CNR"), an SEC-Registered Investment Advisor and wholly owned subsidiary of CNB, to provide investment advisory and portfolio management services for the Program's clients. In addition, CNS will establish a custodial account on behalf of each Program client at NFS. Neither CNS nor any of CNS' advisory personnel act as portfolio managers of Program Accounts.

Calculation of Fees

In general, fees shown in this Fee Disclosure Report are calculated in two ways:

- Asset-based: expenses are based on the amount of assets in the plan and generally are expressed as percentages or basis points.
- Transaction-based: expenses are based on the execution of a particular plan level transaction.

In computing the asset value of an Account, a security listed on a national securities exchange will be valued, as of the valuation date, at the closing price on the principal exchange on which it is traded. Any other security in an Account will be valued in a manner determined by NFS or its agents in good faith to reflect fair market value. NFS may rely on valuations furnished by Program vendors and/or their independent pricing services. Clients authorize NFS as custodian to deduct the asset-based fees from their custody Account. CNS compensates CNR for investment advisory it provides to clients in connection with the Program in the amount of 30% of the fees paid by clients. Additionally, CNS compensates NFS for their custodial services.

This Fee Disclosure Report includes disclosures related to, four (4) categories of compensation: (1) direct compensation, (2) indirect compensation, (3) related party compensation, and (4) contract termination compensation. Direct compensation is compensation CNS, CNR, NFS, their affiliates, or a subcontractor receives directly from your Plan. Indirect compensation is any compensation received from any source other than the Plan, the plan sponsor, CNS, CNR, NFS, their affiliates or subcontractors. Related party compensation is certain compensation paid among CNS, NFS, their affiliates or subcontractors. Contract termination compensation means any compensation received in connection with termination of the contract or arrangement between the Plan and CNS or NFS.

There may be Plan expenses incurred by other Covered Service Providers and/or service providers, other than CNS, CNR, and NFS. For a complete list of expenses charged to your Plan, please contact all service providers with whom you contract or may contract for your Plan and request fee information with respect to their services.

City National Securities' and National Financial Services, LLC's Services and Capacities

CNS will serve in the fiduciary capacity as an Investment Advisor and CNR will serve in the fiduciary capacity as an Investment Manager, as defined in Section 3(38) of ERISA with the authority to manage, acquire and dispose of Plan assets held in a custody account at NFS. NFS will serve in the non-fiduciary capacity as custodian for the plan assets.

Direct Compensation

Please see the related service agreement and fee schedule(s) regarding the services in which CNS, CNR, NFS, and its Affiliates and Subcontractors may be engaged to perform for the Employee Benefit Plan and the fees associated with those services. Unless otherwise directed by the Plan Sponsor, all fees associated with the related fee schedule(s) will be charged directly to the Employee Benefit Plan, which is defined as Direct Compensation.

Indirect Compensation

1. Mutual Funds Expenses

Clients invested in mutual funds through this Program will bear a proportionate share of the fees and expenses of any mutual fund in which their assets are invested. The mutual fund fees and expenses are in addition to the Program fees and expenses. Program fees and expenses may include investment advisory, administrative, distribution, transfer agent, custodial, legal, audit, and other customary fees and expenses charged by mutual funds. The client is encouraged to read the prospectuses of the mutual funds in which the Account assets are invested for a more complete explanation of these fees and expenses.

CNS and its affiliates may have a variety of banking, financial, or service relationships with mutual funds in which Accounts are invested. Program Accounts will not be invested in mutual funds which pay CNS, CNR, or their affiliates a front end, back end, or contingent sales charge.

Fidelity receives fees from certain unaffiliated product providers to compensate Fidelity for maintaining the infrastructure required to accommodate unaffiliated product providers' investment products in one or more of Fidelity's distribution channels, including retail, workplace and intermediary channels. These fees vary by providers, but in each case the fee is a fixed amount that is less than .07% of the product provider's assets in the Fidelity distribution channel(s) for which it applies. In addition, certain unaffiliated product providers pay Fidelity an annual maintenance fee and other fees as well as a flat, uniform, annual fee related to an exclusive marketing, engagement, and analytic program. As such fees are not in connection with Fidelity services to the plan, they should not be considered indirect compensation under the 408(b)(2) regulation. Fidelity may also receive annual payments from other fund families, including American Funds Distributors ("AFD"), to compensate Fidelity for other services, including providing access to financial intermediaries and investors in certain Fidelity channels and providing a platform to support the provision of investment guidance and service to financial intermediaries and investors, and promoting operational efficiencies. It is anticipated that payments from AFD will not exceed .08% annually of American Fund assets in all retail, workplace and intermediary channels maintained by Fidelity subject to certain exclusions. AFD has discretion to the amount of any payment as described in American Funds prospectuses. The criteria to determine any payment includes sales, assets, and cash flows as well as qualitative factors.

Fidelity may receive annual product maintenance fees of up to \$2,000 and may charge certain fund families a minimum monthly payment of \$500-\$1,000 per fund.

2. Affiliated Mutual Funds

Among the mutual funds in which CNS may invest are City National Rochdale Funds. City National Rochdale Funds ("Affiliated Mutual Funds") are an open-end management investment company, offering several portfolios, which are listed below. The Affiliated Mutual Funds are advised by CNR. CNS and CNB act as shareholder servicing agents of the Funds. City National Rochdale Funds are distributed by SEI Investments Distribution Co., which is unaffiliated with CNS. CNS and CNR may receive additional reasonable compensation from the Affiliated Mutual Funds for administrative services or shareholder servicing. The range of indirect compensation that may be received may vary from 0.00% to 0.25%.

Using the Funds may result in higher or lower fees than would be paid if the Plan were invested in other vehicles; however, there will not be a duplication of fees paid by or on behalf of the Plan for services provided by CNS and CNR. Fund level investment management fees will be rebated to the account on a quarterly basis in accordance with the account's fee schedule. Additionally, 12b-1 fees for N share class funds in the table below will be rebated to the account on a quarterly basis.

City National Rochdale Funds	Fees Paid to CNR and its Affiliates and Subcontractors for Fund Investment Management	Fees Paid to CNS and its Affiliates for Shareholder Servicing	Fees Paid to CNB and its Affiliates under Rule 12b-1
Government Money Market Fund – Servicing Class	0.26%	0.25%	N/A
Government Bond Fund – Class N	0.43%	0.25%	0.25%
Corporate Bond Fund – Class N	0.40%	0.25%	0.25%
Intermediate Fixed Income Fund – Class N	0.40%	0.25%	0.25%
Fixed Income Opportunities Fund – Class N	*0.50%	0.25%	0.25%
U.S. Core Equity Fund Servicing – Class N	0.40%	0.25%	0.25%
Equity Income Fund - Class N	0.50%	0.25%	0.25%

*Sub-advised Fund - The Investment Management fee reflected in the table above is the total Investment Management fee paid by the fund. The Investment Management fee received by City National Rochdale and Affiliates is lower. If applicable per fee schedule, only the amount received by City National Rochdale is rebated to the account.

Note: Additional information and updates related to the City National Rochdale Funds mutual fund offerings and related compensation can be found at www.citynationalrochdalefunds.com.

Shares of the Affiliated Mutual Funds or any mutual funds are not deposits or obligations of and are not guaranteed by City National Bank, Royal Bank of Canada, or any of their affiliates or any banking or financial institution, and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other governmental agency. Investing in mutual funds involves risks, including the possible loss of principal. Although the money market funds seek to preserve the value of your investment at \$1.00 per share, it is also possible to lose money by investing in the funds.

Investment Management Indirect Compensation

1. No Transaction Fee (“NTF”) Funds

For funds participating in the NTF program, and certain ETFs, NFS receives compensation that can typically range from 1 to 70 basis points on average daily assets. As of December 31, 2019, 40% of the mutual funds currently in the NTF program are in the 15 basis point range, 55% of mutual funds in the NTF program were in the 35-40 basis point range, and less than 1% of the assets held in these funds are in the range above 50 basis points. All or a portion of NTF compensation may be funded with 12b-1 for shareholder service fees as described in the fund’s prospectus. CNS receives a portion of the fees, based on the average daily dollar balance in the funds.

2. Transaction Fee (“TF”) Funds

For funds participating in the TF program, NFS or CNS receives compensation based on:

- Per position fees that typically range from \$6 to \$19 per brokerage account, or;
- Administrative fees of 1 to 15 basis points based on average daily assets. As of December 31, 2019, (1) 87% of the mutual funds participating in the TF program were in the \$10-\$19 per-position fee range and (2) 87% of the mutual funds participating in the TF program that have an asset-based fee are in the 5 to 10 basis point range. TF compensation is in addition to 12b-1 or shareholder service fees as described in the fund’s prospectus.

Use of Funds Overnight

As compensation for services provided with respect to accounts, NFS receives use of: amounts from the sale of securities prior to settlement; amounts that are deposited in the accounts before investment, and disbursement amounts made by check prior to the check being cleared by the bank on which it was drawn. Any above amounts will first be netted against outstanding obligations. The use of such amounts may generate earnings (or “float”) for NFS or instead may be used by NFS to offset its other operational obligations. CNS receives a portion of these earnings. Information concerning the time frames during which NFS may have use of such amounts and rates at which float earnings are expected to accrue is provided as follows:

- Receipts.** Amounts that settle from the sale of securities or that are deposited into an account [by wire, check, ACH (Automated Clearing House) or other means] will generally be invested in the account’s core account investment vehicle (core account) by the close of business on the business day following NFS’ receipt of such funds. NFS gets the use of such amounts from the time it receives funds until the core account purchase settles on the next business day. Note that amounts disbursed from an Account (other than as referenced in section B below) or purchases made in an account will result in a corresponding “cost” to NFS. This occurs because NFS provides funding for these disbursements or purchases one day prior to the receipt of funds from the core account. These “costs” may reduce or eliminate any benefit that NFS derived from the receipts described previously.
- Disbursements.** NFS gets the use of amounts disbursed by check from accounts from the date the check is issued by NFS until the check is presented and paid.
- Float Earnings.** To the extent that such amounts generate float earnings, such earnings will generally be realized by NFS at rates approximating the Effective Federal Funds Rate.

Premiere Select Retirement Plan Accounts [including Profit Sharing, Money Purchase, and Self-Employed 401(k) Plans] for Customers that Reside Outside the United States

If you reside outside of the United States in any country other than Canada [as described in the Core Options for a non-U.S. Customer section of the Retirement Customer Account Agreement (“Agreement”)], deposits to your Fidelity Retirement account may be held in the Intra Day Free Credit Balance as more fully described in the Agreement. To the extent such amounts generate earnings, such earnings will be realized by NFS at rates approximating the Effective Federal Funds Rate. NFS’ compensation is the amount of earnings reduced by any interest paid to CNS or your account.

CNB Deposit Sweep Program

CNS has contracted with NFS to use CNS’ affiliated City National Bank Deposit Sweep Program as a core sweep vehicle. The CNB Deposit Sweep Program may create financial benefits for CNS, City National, CNS affiliates and NFS. CNS and NFS will receive a fee from City National in connection with the CNB Deposit Sweep Program (equal to a percentage of all participants’ average daily deposits at City National). Amounts will vary, but in no event will the total fee be more than 3.50% on an annualized basis as applied to the CNB Program Deposit Account. In CNS’ and NFS’ discretion, the fee may be reduced and the amount of the reductions may be factored into the rate of interest earned on your CNB Deposit Sweep Program balance. The fee paid to NFS is for recordkeeping and other services with respect to amounts invested in the CNB Deposit Sweep Program. In addition to these fees, other service providers with respect to the CNB Deposit Sweep Program may receive fees from CNS, City National and NFS.

For additional information regarding these fees, please see the CNB Deposit Sweep Program Disclosure or contact CNS for more information.

Money Market Sweep Program

CNS has contracted with NFS to use CNS affiliate’s proprietary money market mutual fund or a third-party money market fund as the core sweep vehicle. For CNS’ affiliate’s proprietary money market fund, NFS may receive fees that range from 2-10 basis points for integration and administrative support (e.g., maintaining cash sweep systems, sub-accounting services, dividend and interest calculation and posting, accounting, reconciliation, client statement preparation and mailing, etc.). For a third-party money market fund NFS may receive fees that range from 5-42 basis points. A majority of the assets held in third-party money market funds pay NFS either 5 or 12 basis points, a portion of which covers integration and administration support similar to CNS’ affiliate’s proprietary money market funds. 12(b)(1) and certain shareholder services fees as disclosed in the prospectus may be paid to CNS. For details regarding these fees, please see the money market fund prospectus or contact CNS for more information.

Equities

NFS receives remuneration, compensation, or consideration for directing orders in equity securities to a particular broker/dealers or market centers for execution. The payer, source and nature of any compensation received in connection with your particular transaction will vary based on the venue that a trade has been routed to for any execution. Review NFS’ annual disclosure on payment for order flow policies and order routing policies. If you require further information in advance of a transaction, contact CNS.

Fee Schedule

The Asset Allocation Program fee schedule is enclosed.

Termination Fees

CNS does not charge a Termination Fee on a Qualified Retirement plan held in a Non-Prototype Retirement Account, however, NFS charges a \$125 termination fee on a Prototype Premiere Select Profit Sharing or Money Purchase Pension Plan account. In addition, any fees accrued during the period will be due to CNS prior to the transfer of the Plan assets to the successor service provider.

Other Fees

Reasonable additional compensation will be charged for any unusual or extraordinary services rendered (e.g. litigation, review and/or preparation of special purpose documents, same day checks, delivery of securities, or other unique transactions).

GLOSSARY

Affiliate - A person's or entity's "Affiliate" directly or indirectly (through one or more intermediaries) controls, is controlled by, or is under common control with such person or entity; or is an officer, director, or employee of, or partner in, such person or entity. Unless otherwise specified, an "Affiliate" refers to an Affiliate of the Covered Service Provider.

Compensation - Compensation is anything of monetary value (for example, money, gifts, awards, and trips), but does not include non-monetary compensation valued at \$250 or less, in the aggregate, during the term of the contract or arrangement.

Direct Compensation - A description of all Direct Compensation, either in the aggregate or by service, that the Covered Service Provider, an Affiliate, or a Subcontractor reasonably expects to receive in connection with the services described in the fee disclosure regulations is compensation received directly from the Covered Plan.

Indirect Compensation - A description of all Indirect Compensation that the Covered Service Provider, an Affiliate, or a Subcontractor reasonably expects to receive in connection with the services described in the fee disclosure regulations; including identification of the services for which the Indirect Compensation will be received and identification of the payer of the Indirect Compensation. Compensation is compensation received from any source other than the Covered Plan, the plan sponsor, the Covered Service Provider, an Affiliate, or a Subcontractor (if the Subcontractor receives such compensation in connection with services performed under the Subcontractor's contract or arrangement described in the fee disclosure regulations). A description or an estimate of compensation may be expressed as a monetary amount, formula, percentage of the Covered Plan's assets, or a per capita charge for each participant or beneficiary or, if the compensation cannot reasonably be expressed in such terms, by any other reasonable method. Any description or estimate must contain sufficient information to permit evaluation of the reasonableness of the compensation.

Compensation Paid Among Related Parties - A description of any compensation that will be paid among the Covered Service Provider, an Affiliate, or a Subcontractor, in connection with the services described in the fee regulations if it is set on a transaction basis (e.g., commissions, soft dollars, finder's fees or other similar incentive compensation based on business placed or retained) or is charged directly against the Covered Plan's investment and reflected in the net value of the investment (e.g., Rule 12b-1 fees); including identification of the services for which such compensation will be paid and identification of the payers and recipients of such compensation (including the status of a payer or recipient as an Affiliate or a Subcontractor). Compensation must be disclosed regardless of whether such compensation also is disclosed previously. This shall not apply to compensation received by an employee from his or her employer on account of work performed by the employee.

Covered Plan - A Covered Plan is an "employee pension benefit plan" or a "pension plan" (defined contribution plans, defined benefit plans and ERISA 403(b) arrangements) under Title I of ERISA as described in the regulations. The term "Covered Plan" shall not include a Simplified Employee Pension (SEP), a SIMPLE IRA, IRAs, Non-ERISA 403(b), and other plans described in the regulations.

Covered Service Provider - A Covered Service Provider is a service provider that enters into a contract or arrangement with the Covered Plan and reasonably expects to receive \$1,000 or more in compensation, direct or indirect, over the term of the contract or arrangement, in connection with providing one or more of the services described in the fee disclosure regulations, pursuant to the contract or arrangement, regardless of whether such services will be performed, or such compensation received, by the Covered Service Provider, an Affiliate, or a Subcontractor.

Responsible Plan Fiduciary - A Responsible Plan Fiduciary is a fiduciary with the authority to cause the Covered Plan to enter into, or extend or renew, the contract or arrangement.

Subcontractor - A Subcontractor is any person or entity (or an Affiliate of such person or entity) that is not an Affiliate of the Covered Service Provider and that, pursuant to a contract or arrangement with the Covered Service Provider or an Affiliate, reasonably expects to receive \$1,000 or more in compensation over the term of the contract or arrangement, for performing one or more services provided for by the contract or arrangement with the Covered Plan.